

Environment, Food and Rural Affairs Committee

Oral evidence: The Work of the Environment Agency , HC 1155

Tuesday 19 January 2021

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Members present: Neil Parish (Chair); Ian Byrne; Geraint Davies; Dave Doogan; Barry Gardiner; Robbie Moore; Mrs Sheryll Murray.

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Witnesses

I: Emma Howard Boyd, Chair, Environment Agency; Sir James Bevan, Chief Executive, Environment Agency.



Examination of witnesses

Witnesses: Emma Howard Boyd and Sir James Bevan.

Q1 **Chair:** Welcome to the EFRA Select Committee, where we are fortunate today to have the Environment Agency with us, both the chair and the chief executive. If I could ask Emma and Sir James to introduce themselves for the record, then we will talk a little bit about the current possible flooding situation, before we move on to our formal questions on the brief.

Emma Howard Boyd: It is great to be here this afternoon. I am Emma Howard Boyd, chair of the Environment Agency.

Sir James Bevan: It is a great pleasure to be here. My name is James Bevan and I am the chief executive of the Environment Agency.

Q2 **Chair:** It is back to you, Emma, on the current situation, with the rainfall forecast particularly for the north of England at the moment.

Emma Howard Boyd: We were last in front of you back in July, when we were discussing our flood and coastal erosion risk management strategy, which had just been laid in Parliament. The flooding we saw over Christmas has meant that we are prepared, as much as we can be, for the flooding we are now expecting over the next couple of days, with the arrival of Storm Christoph.

I am very keen to hand over to James to describe all the activity we have put in place, but I want to take this opportunity to encourage everybody to sign up for our flood warnings. You can hear it on some of the broadcasts today: those communities that have experienced flooding before are feeling it, as the weather approaches and they know that they have to prepare themselves for potentially severe flooding. James, I would like you to give the Committee a more detailed briefing.

Sir James Bevan: I have just come from the latest Environment Agency conference call on the situation, and I am keen to give the Committee and, through you, the country, the latest. The headline is that we are concerned about the prospect of extensive and potentially life-threatening flooding this week in parts of northern, central and eastern England. We are working actively to protect communities, and I will say a bit about that. We would ask everybody in the areas affected to check their own flood risk and ensure that they know what to do should flooding occur. I would like to set out for you and the Committee very briefly what we expect from the weather, what the impacts are likely to be, what we are doing and what we would like the public to do.

On the weather, Storm Christoph, as you know, is bringing both heavy and prolonged rainfall to much of England. That rain is falling on to ground that is already saturated from earlier rainfall. It is falling into rivers that are already full. Meanwhile, the snow is melting on the hills, and that is further raising the risk of flooding. The heavy rain will



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probably also cause significant surface water flooding, particularly in built-up areas.

All of that means that the conditions are in place for substantial impacts today, tomorrow and on Thursday. That is what our modelling currently predicts. We could see, I am afraid, a considerable number of properties flooded and some communities quite badly hit. We have particular concerns about parts of Yorkshire, Lancashire, Greater Manchester, Merseyside, Cheshire and Derbyshire. There is also an increasing risk, tomorrow, in parts of Lincolnshire, Northamptonshire and East Anglia. This band of rain should be through by Friday, but the impacts will probably continue into the weekend, as the main rivers continue to respond.

We are activating incident response procedures. We have our teams out on the ground, clearing grilles and screens to allow water to drain away safely. They are closing flood barriers to protect communities; they are operating our other defences to reduce flood risk. We have just deployed temporary barriers in Bewdley and Shrewsbury on the Severn, and in Northwich on the Dane, to protect people there. We are ready to deploy other temporary barriers if the need arises. We have people, pumps and other equipment available to deploy further, if we need. All the teams that we have on the ground are operating under Covid-secure guidelines, so they do not pose a risk to the public.

We have in place, as I am speaking to you, 14 flood warnings, which mean that flooding is expected and people should take action now to protect themselves, and 125 flood alerts, which mean that flooding is possible and people should prepare to take action. We do not currently have in place any severe flood warnings, which mean that there is a significant and imminent risk to life, but we might need to issue some of those, too. We expect that the overall number of flood warnings will rise significantly over the next few hours.

On the ground, we are working with the emergency services and the local authorities, in the areas we expect to be hit, to ensure co-ordinated operations. We are briefing local MPs and working with the Government very closely, at national level, in the national flood response centre, which is chaired by Defra. There are no plans right now to evacuate any communities, but that might be necessary and some preparations are being made by the relevant agencies, as a precaution.

What do we need the public to do? We have learned that, as Emma said, while we have a key role to play in protecting people and property, just as important is what the public themselves do. The best defence of all against flood risk is to know whether you and your home are at risk, and what to do if it happens. I would like to urge everybody in an area that might be affected to check whether they are at risk—they can go online to the flood information service, pop in their postcode and it will tell them—sign up to our free flood warnings and be clear that they



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understand what to do, which the website will tell them, if they encounter flooding.

We would also like to urge everybody to stay away from swollen rivers and not to drive through flood water. I have already seen pictures of that happening today. It is dangerous; flood water, particularly in rivers, is deeper than it looks and just 30 centimetres can take you and your car away. The overall message is to please be alert. Do not be alarmed, please do not panic, but please be prepared.

As we have said to you and this Committee before, Chair, we can never prevent all flooding, but we can reduce the risk of it happening and the impacts when it does. In the heavy rain over Christmas, we sadly had just under 400 properties that flooded. At the same time, our flood defences successfully protected some 9,000 homes from flooding, and our warnings kept many thousands of other people safe. Over the next few days, we will continue to do all we can, across the country, to protect and support the communities we serve.

Q3 Chair: Thank you, Sir James, for that. What we are particularly concerned about is that the land is so saturated at the moment, and now there is this extra rain. On the forecast this morning, there was talk about the possibility of 48 hours of rain in some areas. Has that receded? Where are the predictions at the moment on that?

Sir James Bevan: No, it has not. On the call just now, we were looking at the computer modelling that the Met Office generates. Right now, that shows a very scary long line of rain coming in from the west, across the Atlantic, towards the centre of the country. It is a conveyor belt of rain that just keeps coming, which means that, for 24 or possibly even 48 hours, it will carry on raining, potentially, over the same parts of the country. As you say, if that is happening on land that, as we know, is already saturated, that is a significant risk. We could see, in some places, 100 millimetres or more of rain over the next 24 hours or so. That is easily enough, in dry, normal conditions, to induce flooding, and we are not, I am afraid, in dry or normal conditions.

Chair: No, indeed. Like I said, we wish the Environment Agency, and all those who are dealing with that potential for floods, well.

Q4 Barry Gardiner: Sir James, can you tell us if, in the affected areas, any of the Environment Agency assets are ones that fall into the below-target condition?

Sir James Bevan: As you know, Mr Gardiner, we had a lot of assets that were damaged last winter in the flooding. The assets performed well; they successfully protected many thousands of people, but they were damaged quite severely in the flooding last winter. With the benefit of a large grant from the Government, we have been at work on a recovery programme. That has gone forward even under the difficulties of Covid over the last few months. We have completed slightly less than half of the total 600 or so that we have identified where there is some work that



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needs to be done. For the remainder, we have put in place mitigations that ensure that no community is at greater risk than it would have been had the defence been unimpaired.

I do not have the details in front of me of whether any of the areas currently under threat have assets that are still being repaired. I can reassure you and everybody in those communities that they will have the same standard of protection now as they had a year ago, and they will continue to have the support of the Environment Agency.

Q5 **Barry Gardiner:** Can you clarify what mitigation looks like to mean that there is no greater risk? I think that will confuse the public.

Sir James Bevan: The best mitigation is a permanent repair to the flood defence. We have done that to nearly half, and some of those have been quite big and complicated. We have completed those. Where we cannot do that but there is still a need for some mitigation—there is not always a need, and I will explain why that is in a minute—the normal intervention is to put in place temporary barriers, either ones that stay there for the moment and we will eventually remove, or ones that we can deploy when we need to, or mobile pumps, so that we can ensure that the water does not affect people's home.

That would be your temporary fix. It is important to stress that, in quite a few cases, not all those defences damaged require any specific intervention. For example, quite a lot of the ones in that list of 600 or so represent minor damage to the lock on a flood-gate or to a footpath on top of an embankment, which means that, although the defence is technically damaged, it still offers the same level of protection to the public.

Q6 **Chair:** Like I said, I hope that we get through this particular period of rain. What seems to be the situation, and I have said this before, is that we not only get a lot of rain, but we now get it in increasingly large quantities, over a very short space of time. That is the issue we need to deal with. In a way, that takes us straight into the session this afternoon, which is about where the Environment Agency is, your budgetary general situation and whether you feel—I suspect you will say no to this—that you have sufficient funds to carry out your work in general. We will go down through detailed questions in a minute.

Emma Howard Boyd: Again, I really appreciate the opportunity to talk to the Committee about our work and funding, not least as you have just highlighted with that discussion about our flood assets the importance of balancing what we need from capital expenditure and revenue expenditure, which is where our maintenance work comes in. If you look at our overall funding, as a whole, we are still an organisation with a significant budget, but if you drill into the different work we do, both on the flooding side and, equally importantly, in our environment and business regulatory work, and you look at our capital allocation, and the



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investment we are seeing there, versus our revenue funding, you start to see some of the challenges we face.

When we were in front of the Committee back in July, we were really pleased to see the additional investment that had been allocated by Government to our flood programme, and subsequently confirmed, of £5.2 billion over the next five years. One of the discussions we are still working through with our Department is the allocation of revenue, and James and I have been having conversations with our Secretary of State about that allocation. If you look at the work we carry out on the environment and regulatory side, that is where our funding from Government has become squeezed. About two-thirds of our budget comes from the Government. We have significant funding for our regulatory charges, which come from the work we do with business, paid for through the permitting and other charges. When it comes to the discretionary work we are doing, we are increasingly challenged by the grant in aid funding we are receiving. Over the last few years, we have put a lot of effort into efficiencies, but we have come to the point where we feel it is really important to be clear about the amount of funding we are receiving right now.

Sir James Bevan: Yes, £1.5 billion, which is our annual budget, is a lot of money. It needs to be dealt with properly and professionally, and we think we do. The country gets a lot out of that money. We do a great deal with relatively small amounts of money. To give the Committee an illustration, what does that buy the country? First, it reduces flood risk; we have talked about that already. We build new flood defences, and the programme we are about to complete will better protect another 300,000 homes. We maintain and operate 22,000 flood defences, many of which will be kicking in right now to keep homes protected, so one thing it buys is a massive reduction in the country's flood risk.

Secondly, that money buys a better environment, because the regulation we do of industry, the advice we provide to the planning authorities and the work we do to improve water, land and biodiversity all help to protect and enhance this country's nature.

Thirdly, it buys the country a big part of our national response to the climate emergency. The Environment Agency is the main organisation in the country that is mitigating the effect of climate change by regulating most of the carbon-producing industries in the country to reduce their emissions. We have just begun running the UK's new emissions trading scheme, which will further reduce carbon emissions. We are making the country more resilient to climate change, because stronger flood defences and climate-resilient cities, which we help plan, are a key part of that.

Finally, the country gets a bunch of what I think are pretty good public services. We oversee and maintain roughly half the country's rivers, including the Thames, for the benefit of people who use them. We manage angling for over 1 million anglers. We provide digital services to



one in 10 of the population, like the flood warnings that are going out right now, and we support jobs and growth through what we do on major infrastructure projects like HS2. That is a pretty good deal for the country, but ultimately, as Emma has said, you get what you pay for. If we want, as we all do, and as the Government do, to improve the environment rather than just manage its decline, we need more investment to achieve that.

Q7 Chair: Sheryll and I went to Norfolk and talked to the people on the ground there. We often talk about bringing in the private sector and more private sector money. With many of these schemes, a lot of it is not actually private sector money; it is quasi-public money, be it local authority or whatever. What is the answer on that one, please?

Emma Howard Boyd: Looking at the last five years, we have brought in over £500 million of additional finance. As you have highlighted, a lot of that comes from other parts of the public sector, but increasingly our focus is on bringing in private sector contributions as well. With the announcement of the 10-point plan and the increasing effort and desire for greater contributions from other parts of the private sector and institutional investors, a lot more work can be done to crowd in that investment, to supplement the Government funding so the country gets the environment that it pays for.

There is no doubt, looking at the 10-point plan and the work that is going on, with the Chancellor having announced the potential for the country's first ever green bond, that more money will be raised for the breadth of things we need to do in this country to mitigate climate change, but also to improve and restore nature. It is really important for our Department, with which we are working very closely, alongside our sister bodies, to make sure that as that money is raised, it is also allocated to the broader environmental agenda and the adaptation and resilience agenda, which includes preparing for climate shocks and nature restoration, as well as the very important work that the country needs to do on net zero.

Q8 Chair: I have been reminded by Ian that I must get back to the tone of the question that I had in the first place. Sir James, you talked about the operation in the north of England at the moment, and you are dealing with Covid at the same time. How is Covid affecting your operations and the number of staff you have available? How are you managing to cope with the weather, the floods and people with Covid?

Sir James Bevan: I have learned two things over the last 10 months. The two things you need to sustain are your critical operations and the well-being of your own staff. We have sought to do, and I think we have done, both of those things. On operations, we have kept running all the critical operations that the Environment Agency performs, responding to incidents, building flood defences, maintaining them and regulating high-risk industries. All those things have continued.



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We have continued to look after our staff, and that is just as important, because our staff are human too and have their own fears and concerns. We have about 10,000 staff. Most of them, as you would expect, are working from home right now. We have 1,000 or so who work outdoors, on construction, clearing rivers and maintaining flood defences, or in specialised indoor facilities like the Thames barrier, laboratories or depots. Those are all still there. We have very few staff in offices right now, deliberately. They are there if they need to be, for operational well-being reasons, but otherwise they are not. All our workplaces, inside and out, are adhering to the Government's Covid-secure guidelines.

We have also tried to help business. As we know, business is suffering greatly at the moment. We have been flexible with business where business is obliged to pay us charges for the services we give it, for example companies that we regulate. If they are in trouble, we have said we are prepared to talk to them about payment plans. We are also conscious that some businesses that we regulate right now, through no fault of their own, are not able to give effect to all their environmental obligations, because Covid is complicating that.

For example, if you cannot move waste around the country, if you have drivers who are off sick, you risk breaching the rules about how much waste you can keep in one place. For industries in that position, we have adopted regulatory position statements, which allow them temporarily, and under strict conditions, not to give effect to all the normal environmental obligations. For example, we will allow farmers to spread slurry and milk on agricultural land if they cannot transport it. We are currently allowing the NHS to use municipal waste incinerators for Covid-related clinical waste if the commercial incinerators run out of capacity.

Finally, we have been doing our bit to help the nation. Our laboratory in Starcross, near Exeter, is doing ground-breaking work to test for the virus in sewage, which is helping the Government manage the pandemic. We have seconded people to SAGE, the Government science committee. We are helping with mass testing by offering technical advice, and we are sitting in the local resilience forums, where the emergency services of the local authorities are managing Covid now.

The headline is that it is as tough as it is for anybody, but so far we have successfully managed to keep our key operations going, keep our people safe and keep on doing what we are here to do.

Q9 **Chair:** I appreciate that answer, because I suppose a lot of your workers who are outside, dealing with day-to-day flooding and other issues, are on the whole a little safer than those having to move into contact with lots of people inside. Are you finding that you have many people off with Covid?

Sir James Bevan: We track very carefully our overall staff capacity, like most good organisations, so we know the availability. Right now, we have



an 83% capacity, which means that 17% of our staff are not available for work. Not much of that is Covid; it is only 2% or 3%. Much of the rest is what you would expect with annual leave and normal sickness absence. We have modelled what would happen if we got down to only 70% of staff capacity. At that point, it would be pretty hard to maintain all the key things we are doing, but we of course hope that we will not get that low, and we have no reason to think that we will. We are comfortable that, right now, we can continue to run as we are, but we are keeping a very careful eye on events.

Chair: We appreciate the efforts that you and the staff are making to keep the Environment Agency running, keep our rivers flowing and hopefully keep as many people as possible from being flooded, let alone all the other environmental issues you deal with. Thank you for that.

Q10 **Mrs Murray:** There have been a lot of discussions about your funding settlement for 2021-22. Could you tell us how important it is that you get a good settlement for achieving your longer-term goals?

Emma Howard Boyd: It is a very live discussion right now. The Department has had its settlement, and James and I met with our Secretary of State. Indeed, he came to our final board meeting of the year to discuss with us a whole range of matters, but we also had the opportunity to talk about funding for this period. Like many organisations, the one-year settlement, when we were preparing for a longer-term settlement, and particularly given the amount of funding and work that has had to go into the pandemic, has meant that we have had to recalibrate our work. It will be really important, as we go through those discussions, that we are very clear what we can do throughout the rest of the year, while preparing for a longer-term settlement.

One thing that has been confirmed is our £5.2 billion for investment in capital. A very live discussion right now is about the resources to allow us to prepare for that spend. It is such an important investment; it is really important that we put time and effort into designing that in a way that is relevant for the communities that we will be better protecting. At the same time on our flood side, we are in very active discussions about maintenance. As you can appreciate, given the battering that our assets got last year from flooding, but also what we are experiencing right now, and the flip-flopping from too much water to too little water, ongoing maintenance is critical. In the past, we have had good settlements for maintenance, and we want to make sure that we get that right. All of this, as I say, is a very dynamic discussion.

On the regulatory side of our work, we are in the process of understanding how this will land, but I have been very clear that, given the constraints on our resources over recent years—over the last 10 years, we have seen our grant in aid revenue allocation to our environment and business directorate reduced by over 50%—if we are going to achieve the many things we need and want to do with that budget, we need to see greater investment. That is one of the reasons



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why our team on the water side has been working very closely with Ofwat, putting effort into things like the Ofwat settlement, where we have now secured nearly £5 billion of investment from the water companies to go into improving the environmental quality of water.

That is the way that we have been preparing and increasingly adding efficiencies to the way we work, but I felt it was very important, as we approached a longer-term settlement, that we really made it clear how, with certain aspects of our work, we are not seeing the progress we would like. If we are going to be able to deliver for the Government on the 25-year environment plan, we need to signal the need for greater investment. James, would you like to add any more?

Q11 Mrs Murray: I am very aware that we have lots of questions to get through, and I have a couple more to come in and ask. Sir James, if you have anything new to add, rather than repeating anything, that is fine, but do not feel that it is an obligation.

Sir James Bevan: I will try not to repeat anything but let me give you a few more facts and figures that may be helpful to you and the Committee. We get two grants from the Government. We get one for what we do on flood and one for what we do on the environment. On the flood grant, as Emma has just said, the important good news is that the Chancellor has reconfirmed that £5.2 billion capital for the new flood defence building programme. That is great, but that is a much bigger programme of new-build flood defences than the current six-year one that we are just completing.

For that reason, it cannot be delivered, in our view, without additional resources for the Environment Agency, nor can we properly maintain all the existing flood defences that we now have without additional resources for that too, because, first, we have a lot more flood defences than a few years ago because the dear old Environment Agency has built a lot more; secondly, because a lot of them are ageing and reaching the end of their design life; and, thirdly, because they are all getting more of a kicking from climate.

Q12 Mrs Murray: I notice that compared to 2015-16, your 2019-20 expenditure was £200 million higher. While you are answering the question, I wonder if you could perhaps give us some idea as to what that has paid for. That would be useful for us to know as well.

Sir James Bevan: On the flood grant, our view—we are having perfectly good conversations with the Government—is that in order to deliver both the new flood programme next year and maintain all the existing defences, we will need a certain amount of extra money, which is still to be negotiated. On the environment side, the grant that we have received, as Emma said, has significantly reduced over time.

Just to give you an idea of what that pays for, it is supposed to pay for a lot of really rather important things. That grant is something that



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essentially pays for all the work that we do to protect and enhance the environment. That grant, which was £120 million 10 years ago and is about £50 million now—so a lot lower—is supposed to pay for everything we do in terms of monitoring air and water quality, enforcing the regulations that protect the environment, prosecuting those who break environmental law, tackling waste criminals, responding to incidents like the floods we have just been talking about, the planning advice that we provide and so on. We do a lot with a little; as I say, it is now about £50 million. We have said to the Government that if we are to reverse the decline in nature—and we think we can—we will need more on that side, too.

We have been well looked after by successive Governments on flood funding. Over the last few years, we have had additional injections of cash, and £200 million was announced last year, which is for innovative schemes to deliver natural flood management. Some 25 or so communities around the country have bid for schemes—planting trees or adjusting the shape of rivers to slow the flow—so that is an additional £200 million, on top of the £5.2 billion that we have to build new flood defences, specifically for natural flood management innovation.

Q13 Mrs Murray: Emma, you touched on the one-year settlement. Could you give us any idea as to how the latest spending review only being for a year affected planning across the non-flooding business areas?

Emma Howard Boyd: Again, this is where, although the Department is getting additional funding, we have had to revise our work for a year while building up the business case to bid for greater funding to enhance that work. Again, on our environmental regulatory side, we have two sources of money. There is the money that comes in from Government from a capital perspective and also from a revenue perspective. We also have the charge income that we receive for all of our permitting work. That is around £350 million and that pays for a whole raft of incredibly important activity in terms of regulating businesses.

The area that has been under sustained cuts over the last 10 years is the activity around enforcing and monitoring that work. That is where we are very clear that, in order to meet the long-term goals of the 25-year environment plan, we need to build up those resources not just for this year but into the future.

Q14 Chair: We will be dealing with that aspect in a minute, so we will park that one there. We will just stick to the question. While we are on funding, you called for the spending review to include long-term funding for flood defence maintenance, but it did not. How is this going to impact your ability to manage pressures on your budget? Here, locally, the riverbanks have been eroding. They get left and, eventually, it is a major scheme to correct them, whereas if you had the money to do some maintenance, it would save an awful lot of money in between. What is the situation regarding maintenance? This has been an issue for years. We do not maintain things properly because you do not necessarily have



the money.

Sir James Bevan: The first thing to say, to be fair to the Government, is that over the last several years we have had a multiyear settlement that gave us clarity of what we were going to get year-on-year for maintenance. That is unusual and good. We have been spending and hope to carry on spending over £200 million a year on flood defence maintenance.

You are absolutely right that it is, if anything, even more important than building flood defences. It is harder to sustain the funding, because maintenance is an ongoing commitment. One of our techniques is to try to find partners that will commit to maintain our assets. We have good examples of where we have agreed with local authorities, for example, that together we will build a flood defence but that they will maintain it, rather than us. That is good news because that is less of a burden on the taxpayer through the national Government.

No one fails to understand why the Government decided this year that they were not going to do a multiyear spending review, given the extraordinary circumstances we are in, and no one would contest that that makes sense, but it does make it harder because, unless you know what you are expecting to get for your maintenance over a multiyear period, as you say, Chair, you cannot plan particularly well. It is also uneconomic. Every economist, including Treasury economists, will tell you that it is much better to have a multiyear investment programme for maintenance than to do ad hoc programmes every year.

There are two issues for next year: first, it is just a single-year maintenance settlement, which will complicate our challenges; secondly, is it going to be enough?

Q15 **Chair:** The other issue, Sir James, is that, where you have earth banks that are keeping the water at bay, there is an argument that perhaps farmers, landowners and others, if asked to do it in the first instance, would be able to cure a lot of these potential breaches, rather than waiting for the banks to be virtually washed away and it then becoming a major scheme. What are you doing to try to speed up the operation, where, if you cannot do it yourselves, you can bring in somebody else? We are missing a trick here.

Sir James Bevan: I agree. The more that we can agree local arrangements with local partners to do maintenance, the better everyone will be. In some cases, they can do it either more quickly or more effectively than we can, so we should always look to do what we can with partners.

Part of the solution that we are pursuing is what is call de-maining. The Environment Agency is responsible for main rivers—big ones—and maintaining flood defences on them, but if you de-main or declare that a river or a bit of it is no longer a main river, we can agree arrangements



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with local partners who can maintain them. Those are, classically, internal drainage boards. We have been getting on with de-maining over the last couple of years.

Q16 Chair: The river I am referring to is the Parrett, where it almost goes out to sea, so it is very tidal. It is earth banks but it is maintained, I imagine, by you. It will not be de-mained because it is very much a main river as it approaches the sea. The banks are being allowed to erode to a degree that you would need a major operation to repair them. The point I am making to you is that, had you repaired them a few years ago, the cost would have been very little, whereas I suspect that now you are going to have to have reinforcing and all sorts there. I know that you do not have limitless resources but, somehow or other, you have to speed up your operation on the ground. In that way, you would save a lot of money.

Sir James Bevan: We will always try to do the best we can locally. We will always try to move as quickly as we can and deliver the best value for money for the taxpayer. That is a duty on us as a public organisation. There will be times when, as you say, we simply do not have the money in our budget to do all the maintenance that we would want to do. We will then prioritise according to what needs to be done to protect lives and property. That will always be our touchstone, but it will sometimes lead to counterintuitive outcomes and to costs later.

Emma Howard Boyd: Just to add to James's point, we put a lot of effort into the working relationships with ADA and different IDBs. I know that, right now, they will be reinforcing the work that we are doing out in communities, warning and informing. They are very strong partnerships but, again, that does not necessarily help if we are constrained from a funding perspective, because we are very keen to do our work in as efficient a way as possible.

Chair: When Sheryll and I went to Norfolk, we found, when talking to the drainage boards, that they find that on the ground it depends on the individual managers at the Environment Agency as to how much work is allocated to the drainage boards and how much work they can take up. At the top, you are very keen on greater co-operation, but dare I say that some of your managers further down the scale are not quite so keen? I will keep on about this while there is breath in my body, I promise you, because there is an issue here that could be sorted. You do not necessarily need to reply to that statement, but could you look again at making sure that, as you have the principles of handing over this work, you do it on the ground? I will just put that on record for you to take note of.

Q17 Dave Doogan: I have two questions; the first is very brief. The Environment Agency met only three of its eight indicators for protecting and improving the environment in 2019-20. Can you explain why that was?



Sir James Bevan: Mr Doogan, that is a good challenge. We have a corporate scorecard that identifies 10 key performance indicators that we measure ourselves against each year. We publish the results every quarter, so we are very transparent about what they are and how we are doing. The latest results, which I have in front of me, for the quarter that ended in September show that, of those 10, we were green on six, meaning we were going to hit our target for the end of the financial year, amber on one, meaning we may hit it, and red on three, meaning we were not going to hit them.

Six greens, one amber and three reds is how I would like to see our scorecard. No organisation that shows you a corporate scorecard where all the indicators are green has produced a set of useful indicators, because it means that it has set itself targets that were too easy to hit. Every year, we try to deliberately stretch ourselves and set more challenging targets, so that is one reason why not all of our 10 indicators are green.

As we have been discussing, we have also had some resource cuts that have affected our ability to deliver in some of those areas. I can unpack those for you again if you would like. We have also, during the course of the year, moved people away from some of those tasks in order to focus on the very urgent priorities like flood response, coronavirus or EU exit, which is the right thing to do, because those are the country's priorities, but it has affected our ability to hit those targets.

We will always strive to do better, but those indicators are in a pretty decent shape right now.

Emma Howard Boyd: If I might add, that is something that, as the board, with my colleagues, we have a very good and healthy debate with our executives. We have indeed wanted to strengthen some of the targets or just make sure that we are reporting against them in a way that feels very real, given that, as James said, if it was all green it would look like we had set ourselves too easy a challenge.

Q18 **Dave Doogan:** You have answered the next question, Emma. We have covered 2019-20, but, in the year before and in 2017-18, you did not meet the targets that were set. I accept what Sir James has indicated: that, if you have a suite of greens, you can argue that you are not testing yourself. Similarly, if you have a suite of reds, you are clearly performing poorly. In terms of that tension between reasonable stretching targets and complacency, Emma, please develop further how you and your board colleagues keep the pressure on the executive of the board to say, "This needs an uptick in ambition", or "We are never going to meet this. We need a new criterion for this target". How does that dynamic evolve around the board table?

Emma Howard Boyd: We look at the scorecard every quarter. Every six months, we have an even more detailed conversation. Every year, we go into them in even greater detail. As a board, we also have a number of



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sub-committees. There are two operational committees, one focused on flood and the other on environment and business. That allows us to drill down into those targets with even greater detail. The full board, with our executive, looks at the corporate scorecard at least once a quarter, as they have been reviewed by the executives.

Again, it is that healthy challenge of, “We want good performance”, and my colleagues at the Environment Agency are doing a huge amount with the resources that we have, but we know that there is so much more that we can be doing, particularly on some of the targets where we are at amber and not at green at the moment.

Sir James Bevan: To give you an example, one of the greens this year is on water quality. The metric that we have for improving water quality is the number of kilometres of the water environment, which is mostly rivers, that we have enhanced in a particular year. We are going to hit that target this year—in fact, we are going to exceed it—but we have had a rather good debate in the board, with the board members saying, “Is that really the right target? There are many indicators that suggest that the water environment is getting worse. If it is not the right target, why are you chasing that one? Why do you not have a different target?”

That is exactly the right sort of healthy, critical debate that good organisations have. We can, if you like, unpack the whole water issue in a minute. Particularly on the water quality issue, I have felt, over the last year, good and constructive challenge not just from Emma but from all our board members.

Q19 **Barry Gardiner:** It is the first time that I have heard that not meeting your targets is a good thing. It means that you have got worse, because you achieved three of your targets in 2019-20, whereas in 2017-18 it was six. Whereas normal people might think you were doing better in 2017-18, you are telling us that you are doing better than you were in 2017-18. There is a bit of logic-chopping going on here, if I am honest.

I want to drill down into some of those targets. I have the scorecards here. You say that you increased biodiversity and encouraged environmental net gain by creating more and better habitats. You show the figures, and it is green. I am focusing on the ones that you say are green. Your target was for 1,280 hectares; your actual was 3,147 hectares. Instead of five square miles, you have created 12 square miles. Is that a net increase in biodiversity and environmental gain, given that the figure is that 60% of SSSIs are not even monitored? How do you know that this is a net gain to biodiversity and the environment? It may meet a specific target but it is not a good indicator of the health of the environment, is it?

Sir James Bevan: First, let me just say on your open challenge that I did not argue that it was great to have lots of reds; I just said that you should beware someone showing you an entirely green scorecard. Although we have fewer greens this year, the reasons for that are pretty



good ones, partly because we are doing different things that the country needs doing, like tackling coronavirus.

Q20 Barry Gardiner: That is why I am challenging you on the greens, Sir James. On this specific green, this particular indicator that I put to you is not a good indicator of biodiversity and environmental net gain, which is what it is supposed to be.

Sir James Bevan: We try to have smart indicators that are real and measurable and tell you something important. Just to reassure you about our overall set of indicators, they are all good metrics. The key flooding indicator is whether or not we attain the 300,000 houses better protected by the end of this year.

Q21 Barry Gardiner: Hang on; I will come to flooding, because that is another green that I want to challenge you on, but stick now with biodiversity.

Sir James Bevan: Let me just make the point that we do not try to set targets that do not mean anything. We try to set targets that we can be measured against and held to account for.

The answer to your question on biodiversity is that we aim for that to be an increase in net habitat. The main way that we achieve that is through our flood defence schemes. When we build flood defences, we are often required by the Habitats Directive to create compensatory habitat for habitat that we are damaging. That is fine. We aim to overachieve there, so we aim to create more habitat than we damage, and that gets you the figure that we quote here.

You will go on to say, "But that does not tell you about the national picture", and you would be right; it does not. It is telling you something specific and worthwhile, which is that the EA's activities are generating more habitat, but I accept that it is not telling you what is happening in the country as a whole.

Q22 Barry Gardiner: If we go on to flooding, the number of households better protected is your unit here. Your scorecard says 240,000 was the target, and you achieved 242,343. I thought that the target was 300,000, but we will leave that aside. Again, we do not know that this is a net increase of households that are better protected, precisely because, as you mentioned before in relation to your flood defences, climate change impacts in other areas may be making houses that are not under your consideration worse protected. If somebody looks at these indicators and says, "That is great. We have 242,000 households that are better protected in the country", they would be wrong.

If we simply look at those 242,000 households, they are better protected, but we do not have 242,000 more households that are better protected. Here is where these scorecards can give a very false indication to people about what is happening as a whole, because you are part of the responsibility for the 25-year plan and for the Government's commitment



to leaving not just 242,000 houses, but the whole environment in a better condition than we found it.

Sir James Bevan: All of these metrics tell you something, but they do not tell you everything. None of these is designed to be deliberately misleading, and I do not think they are, but they need to be understood and it is good that we are having this debate about them.

On the flood metric, 242,000 was the target to hit by the end of September, which we have hit. You are correct that the full target is 300,000 by the end of this financial year, and I am pretty confident that, unless the weather or Covid gets in the way, we will not just meet that, but beat it. We can say that, with regard to the 300,000-plus properties that we aimed to protect better, we have achieved that.

You are also right that the picture across the country is much more complicated. There is a good debate to be had—and we had some of this in another committee with you last week—about how you can measure overall flood risk across the country. Again, you are right. We can show you pretty convincingly that we have reduced the flood risk to X number of houses in Y locations, but, at the same time, given what is happening to the climate, there is a countervailing factor there. It is very challenging to make a judgment about whether overall net flood risk has been reduced for the country as a whole, but it is a debate that we should have more of.

Q23 **Barry Gardiner:** I seek to help. Making this clear only adds to your argument that you were discussing with Sheryll and the Chair earlier about the need for more resources. If people understand the overall picture, they understand the need for greater resource.

Emma Howard Boyd: We worked through the flood strategy with others in terms of landing that, and particularly organisations like the National Infrastructure Commission. This is very much about households protected. We know from the analysis that we have done that for every home that is flooded, 16 other people are impacted, as they are being right now today, in terms of the infrastructure services that are being disrupted, whether that is rail, road, water or sewage. A whole raft of things are impacted by flooding.

This was very much a metric set up for our flood programme that is about to come to an end—achieving those 300,000 additional properties protected—and it is very much set out in our flood strategy that we want to get better indicators not just for homes that are protected but for the nation's critical infrastructure and social infrastructure, so that, as a country, we become more resilient to the physical shocks of climate change. Again, it is a really good challenge to us but we also have to make sure that, when we are working with our colleagues across the organisation, we can see the progress that we are making.

Q24 **Barry Gardiner:** I want to talk about the progress with colleagues



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because, from 2013, you have had pollution incident reduction plans. Perhaps you could update us on how many of the water companies have now published their plans, how progress against them has been monitored, and whether those plans are in place for other sectors like waste management.

Sir James Bevan: The main way that we measure and hold water companies to account is through what we call the environmental performance assessment. Every year, we assess the big companies' performance against five key indicators—serious pollution, whether they are self-reporting incidents and so on—and we grade them on a star system. We did that most recently in October.

Q25 **Barry Gardiner:** Southern Water came in as rated one-star. Can you perhaps tell us what the Environment Agency has done to work with it to upgrade its performance?

Sir James Bevan: You are quite right, Mr Gardiner. Southern Water was the first company in the undistinguished place of one-star, which is the poorest, since 2015. There were companies that improved, so we should recognise those, but both Emma and I have had free and frank discussions with our counterparts in those water companies about what they need to do to get themselves into a better place. I was talking to the chief executive of Southern Water only yesterday afternoon specifically about this issue and walking through with him what he needs to do and by when in order to get his company to where it needs to be. Emma and I have both had those conversations with our respective counterparts. We have been very clear on what we expect and we will be very clear in the judgment that we make on it this autumn.

Q26 **Barry Gardiner:** What financial resource has it committed to putting into improving its performance? Are you able to hold it to account for that?

Sir James Bevan: As part of the Ofwat five-year programme, where prices are set for the water sector, we see and help shape the water companies' business plans. We know how much they are investing and we can advise them about where the best-value investment is going to be for the environmental benefit, and we do. We are satisfied that the plans that the companies, including Southern Water, have developed for the next five years make sense from an environmental perspective. What we want to see is those plans implemented, and that is what we will be focused on now.

Q27 **Barry Gardiner:** If we can look at waste, £30 million was granted in the 2017 Autumn Budget to recruit additional staff to tackle waste crime. Last year, of course, we had the waste crime taskforce. Perhaps you could give us an assessment of the impact that the taskforce has had and how that increased funding has worked out in terms of tackling illegal waste, because the illegal-waste targets were missed.

Emma Howard Boyd: Just very quickly going back to water, there is really important ongoing engagement at both chief exec, exec and chair



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level with the water companies. Having met with all of the chairs towards the end of last year, there is a sense of ambition to make sure that they get on track, particularly on pollution incidents, and James and I will continue to meet with the companies to make sure that, as we get this year's assessment for last year's performance, we really hold the businesses to account. I would like to add that there is opportunity, through green recovery, for enhanced investment from some of the water companies to bring forward some of their investment in order to make sure that we are dealing with a range of different environmental improvements.

On waste, the way we are now working jointly with other bodies and the emphasis that has been put into this has put waste into a better place in terms of ways of working.

Q28 **Barry Gardiner:** It is red on your indicator, though, is it not?

Emma Howard Boyd: Yes, but that is about ways of working with other enforcement bodies in terms of intelligence that we receive and how we act on those offending. It is still a big task in place to make sure that we are sufficiently working on stopping the activities of those operators that are acting criminally. That is where engagement with other enforcement bodies, often well away from pollution but, say, on tax, as well as working with the legitimate part of the waste industry, can help bring that aspect of work into control. It needs huge effort and is absolutely worth investing in, not least because it will stop illegal activity that takes away from legitimate businesses as well as from Treasury.

Sir James Bevan: Just to put a bit of flesh on the bones of what Emma has just said and give you some examples, you mentioned the Joint Unit for Waste Crime. We set that up a year ago. It brings together the EA, law enforcement agencies, other regulators, Revenue and Customs and the National Crime Agency. There are two things that are different about it and make it more effective. First, it is much more joined up, so we can share intelligence about the serious criminals who are involved. We can identify the best way to disrupt, deter and, ultimately, nail those criminals. You can imagine that there are various ways that can be done. That is the first difference.

The second difference is that, in the past, it was fair to say that the Environment Agency tended to focus on the waste, because of the environmental effect, rather than on the criminal. We have reversed that logic here, because if you focus on the serious criminal, you find that, as Emma has just said, they are involved in a whole bunch of other serious crimes, like drug-running, gun-smuggling or prostitution. Therefore, putting our resources together with those of others has been effective.

Just to give you an example, we are currently running about 20 operations against particular groups and individuals. I cannot identify who those are but what I can say is that they are some of the worst people in Britain. The people in the EA who go up against them are some



of the finest people in Britain, because they often take great personal risks. We had a week of action in October, run by the joint unit, where we stopped over 1,000 vehicles, visited over 500 sites, identified 150 criminal offences and made 29 arrests. Those are some metrics that are worth paying attention to and that will demonstrate that it is being effective.

Q29 **Barry Gardiner:** That is very helpful and I saw the Chair nodding. I am sure that all of us on the Committee would wish to thank those of your officers who take those risks. We really do understand that and we appreciate that. Let me move on now to your five-year aims in EA2025. Why do those aims not quantify the improvement that you are seeking to achieve?

Sir James Bevan: Let us start with EA2025. We think it is a good thing to have a five-year plan identifying what we want to achieve for the country between now and 2025. The goals are right. We have three: a nation resilient to climate change; healthy air, land and water; and green growth and a sustainable future. Each of those three goals have three individual targets within them, which are all laid out in EA2025. Those are public. That gives you nine individual targets, and each of those has a specific metric set out in our annual key performance indicators that we were discussing a few minutes ago. There are quantified metrics for each of those targets but we adjust them each year in order to reflect the progress that we are making.

Q30 **Barry Gardiner:** Sir James, with respect, that was the purpose of my trying to drill down into the targets in the scorecard in the first part of my questioning to you. Precisely what I was trying to show there was that these individual targets do not reflect the nature of the environment as a whole. It does not matter whether they are in waste, water or flooding; they are specific to those areas, and yet the five-year plan is about a nation that is resilient to climate change, about healthy air, land and water, and about green growth and a sustainable future. They are big-picture, general and at the national level. The problem is that the metrics that you give—the three targets within the three—are not. Therefore, what I am trying to point out is that the targets that you have set do not match the aspirations or the goals that you have set.

Sir James Bevan: There is an infinite number of targets that you can choose. We try to choose targets that are representative of the aim that we are trying to achieve. They will not always capture the whole aim—you are absolutely right about that—but are designed to mean something and to be illustrative of our movement towards that goal. I am not too apologetic about having annual targets that are representative of where we want to get to. It is important to drive business from day to day, so that people can see, in their day-to-day work, “I am here to deliver that part of EA2025, and the way that I am going to show that I have done that this year is by delivering this specific target for this year”. That is a good way to run a business. I agree with you that we need to make sure



that those targets are not misleading or misrepresentative of the overall aim we are trying to achieve.

Q31 Barry Gardiner: If I can go to 2018 and your adaptation report, let us try to get specific here. The EA said that its priority adaptation actions were to ensure that “all our new major plans and strategies are climate-resilient by 2020...using an adaptation pathways approach, where appropriate, to manage uncertainty”; to “deliver adaptation indicators, so that we can measure how our risks are reducing”; and to “review and update our adaptation plans annually”. Can you outline the progress in meeting those three elements and how they have been factored into the five-year strategy, given criticisms on areas such as the lack of indicators to measure flood risk reduction that have been identified by the National Audit Office?

Sir James Bevan: This may or may not be an answer that you want to hear, but it follows on from what you just said. We have just changed our climate emergency metric. The new one, which is in the latest key performance indicator on adaptation to tackle the climate emergency, is a basket of metrics. This is part of the point you are making: rather than one, it tries to bring together all the key things that we are doing on planning, flood defence, water, river basin management and so on, because that basket of indicators is probably a better way to show whether we are successfully adapting or not. We have changed it and there are 97 specific elements there that we are going to tally up.

We do not expect this year to meet our target of 90% of those elements being done. That is partly due to Covid and the other reasons that we have outlined, but we expect to hit around 70%. We will be publishing an account of what we have done and not done in our next climate adaptation report, which will come out before the end of March. I hope you will hold us to account against it; I am sure that you will.

Barry Gardiner: I always want to hear of progress, so of course I am pleased to hear that.

Emma Howard Boyd: The challenge that you are giving us right now is very helpful in terms of the fact that we are going to be publishing our new adaptation assessment in light of EA2025 and making sure that we are matching aspects of our five-year plan to the progress that we are bringing about. We also want to influence others, because one of the things that we know is so complex about environmental performance, adaptation and resilience performance is that there is what you can do as an organisation, and how you influence other organisations, including other parts of Government. The 25-year environment plan is all about putting the environment at the heart of decision-making across Government and beyond.

That constant challenge, as we look at net zero versus adaptation and resilience and a healthy environment, but also making sure that we give ourselves and our colleagues the sorts of goals and targets that are



meaningful to see change as well, is something that we grapple with continually in the discussions that we have between the board and the executive. I really respect this challenge, because it will make us go away and think about how we tell this story in a more comprehensive way, while also showing whether we are making progress, which is so important because otherwise we could all get so overwhelmed.

Q32 Barry Gardiner: Beyond 2021-22, you have no funding certainty, apart from the flood defence part. Does that impact on the ability to set those targets now? What are your priority targets for tackling climate change in the latter part of this five-year plan?

Emma Howard Boyd: Again, this is something that needs to be constantly under review. We want to set these long-term targets; indeed, with our flood strategy, the fact that we were aiming that out to 2100 is absolutely the right thing to do, because we know that by setting longer-term targets, you can set the direction that we all need to go to in terms of improvements that we need to make or impacts that we need to have. We also need to make sure that we are reflecting on those on an annual basis, where we are going in the wrong direction or if we are not getting the funding that is required.

As an organisation, because of these different elements of our funding, we need to make sure that we are describing what is happening in those different parts of the organisation, because we are going at different speeds. We may be making progress on flooding, say, because of the allocation of funding that we have, but on other aspects of our work, we may not be improving at the rate that we would like, because of the restrictions that we face.

Q33 Barry Gardiner: It would be helpful if our report highlighted the gap between your aspiration and the resource available to you.

Emma Howard Boyd: We have found it really helpful having a five-year settlement on our flood investment side. That came with targets of efficiencies that have been important for us to achieve, while having that longer-term settlement. Indeed, other countries that this Committee has looked at, such as the Netherlands, have a rolling programme on work like ours. Also capital and revenue are areas where we perhaps would not be revisiting this constant challenge that we face between the investment and the revenue funding that we require, too. That goes for both sides of the business.

Increasingly, we need to integrate our work. In terms of the work on our environment and business side, water is very integrated. It is the flipside, so often, of the work that we are doing on flooding. Quality of water goes in there, too. Again, one of the very live discussions that we have at the moment is about how we join up even more the discussions that we are having on water: too much/too little and its quality.

Q34 Ian Byrne: Emma, what role is the Environment Agency playing in the



Government's green economic recovery plan? How does EA2025 fit into it?

Emma Howard Boyd: One of the things that is so key with the green recovery is the focus on building back greener. I already stated earlier that when it comes to the 10-point plan—and I do see green recovery and the Prime Minister's 10-point plan as being inextricably linked—there is a huge raft of work that we are doing on the regulatory side that features against different aspects of the 10-point plan, whether it is hydrogen, carbon capture and storage, the work that we are doing now with the UK Emissions Trading Scheme that has replaced the EU Emissions Trading Scheme, nature recovery or, indeed, our adaptation and resilience work.

Very specifically, with Defra and the water regulators, we are working with companies in the water sector to see whether we can accelerate projects that are ready to go in order to make sure that we are investing as quickly as possible in the green recovery through the water lens. I would argue equally—and this features in the Government's 10-point plan—that our flood programme, in terms of the work that we are doing up and down the country over the next few years, is very much linked to the green recovery as well.

Q35 **Ian Byrne:** You are quite happy that you are an integral part of the recovery plan and that you are having an influence within the plan. Your voice is being heard.

Emma Howard Boyd: We are seen as a very key part of that. We could always be heard more loudly, but there is no doubt that one of the strands of work that we do is alongside key infrastructure projects. Again, the fact that we committed to net zero by 2030 in October 2019 has meant that we are now working very closely with other infrastructure providers, through the Infrastructure and Projects Authority and other cross-Government working groups, to make sure that we can help pilot some of the early thinking around what it means to be a net zero infrastructure builder.

Sir James Bevan: Maybe I could give you an example. The Thames Tideway is a massive infrastructure project designed to take sewage out to treatment and away from the Thames. That is a great example of something that we are closely associated with. We have our own staff embedded in that programme, and the company is paying for our staff to advise it. That is a novel way that we are funding our work. It works for us because it is a burden that the taxpayer does not have to bear and it gets us inside that company to help ensure that we influence its decisions in the way that we want. That is a great example of a different way of funding. It is a great example of something that is going to make a massive difference to the environment, because it will really clean up the Thames once it is sorted out, and it is a fantastic driver of growth. It is creating thousands of jobs in that area and, as Emma has just said, it is a laboratory for doing things in ways that will help us get to net zero.



We are learning a lot from it, and it is inventing with us new ways of working that minimise carbon in construction: very low-carbon concrete and bringing in and taking supplies out by boat along the river rather than by fleets of trucks. It is one that hits all the bases, and the more of those projects that we can support, the better.

Q36 Ian Byrne: I will stay with you, Sir James, for a follow-up question. The Prime Minister said in June that he wants to reduce “newt-counting delays” to promote economic recovery from the pandemic. If you go back to 2012, former Prime Minister David Cameron said he wanted to kill off the health and safety culture for good, blaming red tape and forms of regulation for strangling business. We are hearing, at the Grenfell inquiry, about the consequences of the lessening of regulations under the guise of growth, and it is a really worrying trend. Only last week, in the *Financial Times*, there was a report that employment rights are under attack. Post Brexit, how should environment protection be balanced against promoting growth in the current circumstances?

Sir James Bevan: This is a question that is dear to my heart and for which I have received some flack in public. I gave a speech a while back called “In praise of red tape”. You can find it online. What that argues is that no one wants unnecessary bureaucracy, but the right regulation is not red tape; it is what keeps people alive, what gets you the growth that you want and what gives you a blue planet. I am absolutely for reforming regulation, so that it is modern, proportionate, risk-based and business-friendly, and that is how we try to regulate, but I am not for taking down regulation that protects people and the environment. Again, the Government have said that they are not for it either. The Government have said, at the same time as wanting to review our current regulatory framework, that this is not about a race to the bottom. It is not about taking down protections, either for workers or for the environment. As long as it is about enhancing environmental outcomes, reform of regulation will have our support.

Ian Byrne: The proof will be in the pudding on that.

Emma Howard Boyd: My background is in the world of finance. I have never seen members of the business community and the investment community prioritise responding to climate change, preparing for net zero, looking at adaptation and resilience, and environmental standards as much as we are seeing now. Not all businesses, but an increasing number are calling for a strengthening of the right kind of environmental, climate-change-regulated regulation, and that is to be supported.

The challenge around acceleration is absolutely key, not least because of the climate emergency, and so we all need to look at how we work, on the regulatory side, at improving our regulation. That is why I was really pleased to see Defra and the water-related regulators come together to look at how we can work with the water companies to start acting. It is important for the planet and for the climate emergency, but one of the things that has absolutely come to the fore over the last year is that this



is what the citizen wants as well, and we have to speed up, where we can, the way we are responding to these crucial challenges.

Q37 **Chair:** Just before we leave the newts, a little fence has been put up locally to count the newts. They stay there for ages. Eventually, the fences fall over and nothing seems to happen. As much as I accept that we need to count newts, there really is a serious point to be made here. Why do we not get on and count them and move on? A number of times, you see things being delayed because of things that need to be done but are not done quickly enough. It may not be your direct responsibility to count those newts, but how can we still count the newts while speeding up the operation? It is a serious question.

Emma Howard Boyd: This is where Defra's sister bodies need to work together to look at this acceleration. We need to make sure that we are doing the right kind of analysis, but, ultimately, we need to crack on because what I said about the climate emergency is just as relevant for nature recovery. I have been asked by the Transport Secretary to advise a panel for their acceleration unit. I am there precisely to make sure that environmental and climate change issues are looked at. I am also looking at it through the lens of green finance. I was very keen to be part of this, not least to understand how we work together at speeding up. This is essential for the climate emergency, not just for delivering a recovery.

Chair: I very much accept that answer, because we need to be absolutely convinced that our environment must be protected, but there are times when it is a nonsense how long we take to do these surveys and the like. It might be a dormouse survey that is probably necessary to do, but we do not need to take so long, and I am not sure that they are done that precisely either. That is another issue. We will park that one there; otherwise, we will talk about newts all afternoon, if we are not careful.

Q38 **Ian Byrne:** I would like to raise a quick point with Emma, given that she is going in that direction. As a matter of record, would you recommend mandatory sustainability reporting, similar to the Task Force on Climate-related Financial Disclosures?

Emma Howard Boyd: There is a very active project at the moment that is developing the disclosure requirements for a taskforce on nature-related disclosure. Again, I was one of the early proposers of the idea, having seen how the Task Force for Climate-related Financial Disclosures came out of the Climate Change Act two or three years ago, discussing the Environment Bill.

I see it as moving more to mandatory. We are seeing a whole manner of reporting. We are not ready yet. We need to make sure that we are reporting the right metrics but we are also seeing a call for businesses to have a say on climate. Those are the sorts of things that are very important to see. Indeed, the Environment Agency Pension Fund is looking at a whole raft of different ways of making sure that the fund



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managers investing on behalf of the pension fund are acting not only on climate but also on nature.

Q39 Robbie Moore: My question is looking more along the enforcement avenue. In 2013, the Environment Agency issued 109 cautions and 200 enforcement notices and carried out 130 prosecutions. In 2019, the combined figure was just around 100 in total, for all three categories. What is the reason for this decline?

Sir James Bevan: Enforcement is a really important part of regulating and protecting the environment. It is part of a spectrum of tools that we use to achieve that, starting with deciding whether or not to issue a permit in the first place for an operator to do something that could harm the environment, through checking that they are operating that site in the right way, through site inspections, through advice and guidance when something is not quite right, and up to compliance notices that require them to remedy an issue and, if necessary, then on to proper enforcement. That can range from a fixed-penalty notice to a formal caution and, ultimately, to prosecution. When we prosecute, we normally win and we will normally press for the strongest penalties. We have had some considerable success there over the last few years.

You are absolutely right, though, that the amount of enforcement activity that we have been able to do over the last few years has been declining. The last comparative numbers that I have are that, for the year 2018-19, we took 168 prosecutions. In 2011, we did 514, so you can see a significant drop there. In 2018-19, we did only 23 cautions; in 2011, we did 245 cautions. This is a significant drop in EA enforcement activity.

Why is that happening? Largely because the resources that we need to do it have been dropping. The Treasury does not allow us to use the income that we get in charges from those we regulate for enforcement of those regulations. They fear that is a perverse incentive on us to do more enforcement in order to generate more revenue. For whatever reason, the only funding that we have to deliver the prosecutions and the other enforcement activity that we do comes in the form of a grant from Government, from Defra, and that grant has been dropping. It was about £9 million in financial year 2016-17; it is down to just over £7 million now.

The only bit of that grant that has risen is some separate funding to tackle waste crime. Where we have had additional money, we have made progress and we now have the number of high-risk illegal waste sites, for example, down to the lowest number that we have yet measured. It is not all about money but it is mostly about money.

Q40 Robbie Moore: Does the Environment Agency's enforcement budget allow it to effectively pursue those responsible for harming the environment? Sir James has slightly touched on that. An additional point that I would like to ask is one that Sir James also touched on, which is where the Treasury does not allow you to take into account the fines that



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are pursued. Is that a policy change that should be looked at as part of combating this, when it is predominantly linked to funding?

Emma Howard Boyd: There are a range of things that need to take place. It is partly around funding. I am also really keen that, on the enforcement side, the sorts of penalties that we are seeing are in the same position as what we have been saying about the country getting the environment that we pay for. Equally, I do not feel that we are yet to see the sorts of fines against businesses that consistently show the value of the environment. They are typically at an operational level, so a risk worth taking probably and going nowhere near the boards of companies. Even the most significant water company fine of £20 million, which was a few years ago now, against Thames Water, was only 10 days of operational profit. While a not insignificant sum, that anyway goes into Treasury rather than into improving the environment. We need to make sure that the penalties are at a level that makes companies sit back and think about the activities that they are undertaking. All of that has to come into the mix.

Again, I look at where financial services have gone in terms of their regulation and penalties, and we now see fines that really make boards sit back and take notice and make sure that the investment that is needed to make sure that they are not polluting happens—because, ultimately, this is about the polluter that pays—and that the importance of the environment is understood.

In the meantime, we need to look at what other means are available to us to make sure that we can continue to enforce. That is partly about monitoring. It is also about our legal activity. The companies that are challenging that enforcement throw really expensive lawyers at us too, challenging us all the way through the courts. Again, that has meant that we have not been able to take as many prosecutions as we would like to court. Our legal department is full of heroes and sheroes working on the environmental agenda. This is an area that I just feel needs putting in the right place in terms of people understanding how much the environment is of value to the country as a whole.

Sir James Bevan: I was just going to add one thing that might be helpful, which is getting better. Would I like the fines that go to the Treasury to come to the Environment Agency? Of course I would, because we would use that money, but we know why they do not. What we are increasingly doing, which is good and is helping improve the environment, is using what we call enforcement undertakings. This is an agreement that we will reach with, let us say, a particular water company that has caused a serious pollution incident. In exchange for not prosecuting it, it will commit to remedying the damage that it has done, which it does by producing a significant amount of money that it will allocate, usually to a local NGO or charity, which will go and fix the problem. The number of enforcement undertakings is rising. We accepted



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63 in 2018-19, and that puts money directly back into remediating the environment. The more of those we can do, the better.

Q41 **Robbie Moore:** My next supplementary on this brings us nicely on to the next question. Just using a live example in my constituency, I represent Keighley and Ilkley, where we have just had bathing-water status granted on the River Wharfe, which flows through Ilkley. One of the big concerns there was about the utility company. A lot of sewage overflow has been going into the river directly, but my understanding is that there is an onus on that utility company to report that spillage to the Environment Agency, and for the Environment Agency to then take appropriate action if needs be. That system seems wrong to me, because why would a utility company put themselves forward and notify the Environment Agency of a spill? What would your view be on that in terms of enforcement action? Should that policy change, so that it gives the Environment Agency more power to monitor utility companies in a scenario like that?

Sir James Bevan: You are absolutely right, Mr Moore, about the Wharfe, and we will want to work with the local community and with the water company to do what we can to improve the water quality in that river. It will take a lot of time and money because that is about changing some very expensive and old systems that the water companies run.

Your question was about what we call operator self-monitoring, whereby water companies report to us the data on how they are performing. Why would you do that? You would do it because you would want to make it the mainstream business of the water company to check what it is doing and to make sure that it is not polluting the environment, rather than allowing the water company to think that it is somebody else's business and that it can just do what it likes until the Environment Agency catches it out.

The logic is that it does that: it requires water companies and chief executives who see their own KPIs to take account of what they are doing and to be sure that they are not damaging the environment. It is a test. It tests whether they are going to be honest with us and report to us whenever there are failures, and we measure it. It is one of the five indicators in the environmental performance assessment that we do every year on the water companies, which we were talking about earlier. Are they doing self-reporting properly? We check, so they are not left alone to just, as it were, tell us what they like. They are told that they have to tell us about anything wrong that goes on. If they do not report, we will take action against them, and we check.

Q42 **Robbie Moore:** Is the situation at the moment working, in your view?

Sir James Bevan: Operator self-monitoring is working in the sense that we normally do get good, timely data from the water companies about what they are doing and when they do things wrong. We check and, if they do not tell us quickly, we will take action against them. The broader



picture of the water environment, we can all agree, is not in the state that we want it to be, but OSM is not the main problem.

Q43 Robbie Moore: That brings me nicely on to the main question. In 2019, only 16% of waterways were classified as having good ecological status, which was unchanged from 2016. Why do England's rivers and waterways compare so poorly to elsewhere in the UK, and the European average of 40%?

Emma Howard Boyd: James talked about this in his speech. That 14% disguises all of the improvement across the range of indicators that the Water Framework Directive focuses on, and disguises the larger percentage where rivers are at good status, bar one indicator, because of the "one out, all out" category. I am sure that James will want to go into a little bit more detail. There is no doubt, though, that the state of water quality needs a huge amount of effort from a range of different organisations, including water companies and the farming community, where we know that diffuse pollution from agriculture is the second biggest cause of water quality deterioration. We all have a role to play in this, because it is also about abstracting from water, but we know that, ultimately, we need to have a strong focus on being able to deliver the longer-term goal of clean and plentiful water.

Sir James Bevan: This is probably the most complex issue that we deal with. You would have thought it would be simple to say, "What is the state of water in the country?" The honest answer is that it is just very complicated. Some things have undoubtedly got a lot better. Since 1995, some of the worst pollutants in our rivers have been cut dramatically. Sewage treatment works, for example, put 70% less ammonia into those waters than they did in 1995. Toxic metals have gone down dramatically. Water pollution incidents have gone down. Those things are true, undeniable and good, and those things have also benefited wildlife, so we can track the improvement in many rivers of the small invertebrates that show that the rivers are becoming healthy, and the return of larger animals like salmon and otter. Those things are all happening and are all good. The bathing waters around our coasts are in a better state than they have ever been. All that is in the positive ledger, and the EA has had something to do with all of those things.

Some things have flatlined. Nitrate levels in our rivers, which come mostly from farming, have flatlined, which is bad news, because that affects other wildlife. Some things have got worse. There has been a rise in the overall number of water pollution incidents, most of those from sewage companies or farmers. The storm overflows, which are the issue in Ilkley that we were talking about recently, are operating more frequently because of climate change and population growth.

It is a complicated picture. Like Mr Gardiner's earlier challenge, that 14% figure is in some ways accurate, because it means something measured against that specific metric, but it does not really tell you very much about the overall state of water. The key thing, though, is what we are



going to do about it, and there I would say that it is everybody's job. There are many things that the EA is doing to help address that issue, and we can run through those if you would like, but it is also clear that we need the water companies to step up more, farmers to farm in ways that do not cause that pollution, the public to treat water in the right way, and Government to make sure that we have the right policy and legal framework.

Q44 Robbie Moore: As a final supplementary, I want to quickly pick you up on the self-monitoring issue. You said that you are doing it and feel that it is working well. If I put it to you that the number of samples taken and sites visited for water quality checking are both down compared to 2014, and that there were only eight river habitat surveys in 2019, why are those numbers falling when you are saying that monitoring is happening fine?

Sir James Bevan: You are right. The number of sites that we visit to do the monitoring of rivers and the number of samples that we take have both declined. The numbers I have are that, in 2014, we visited nearly 20,000 sites and took about 127,000 samples; in 2019, we visited under 15,000 sites and took fewer than 95,000 samples, so you are absolutely right that site visits and samples are going down. The main reason is money. That is part of the grant funding that we get to monitor, which has gone down and had had a significant effect on our ability to monitor. It has not made us blind. We can still see a pretty good picture, and we are getting enough information to satisfactorily check, for example, whether the water companies are telling us the truth when they follow the operator self-monitoring rules.

Underneath your question is a big truth, which is that our ability to see what is happening to the environment is starting to decline. That is going to affect our ability to improve the environment. The answer to both of those things, frankly, is better funding.

Emma Howard Boyd: Can I just add something particularly in relation to Ilkley and the taskforce that has been set up on storm overflows? This is all about putting some pace into changing the situation. What has happened in Ilkley could really be a gamechanger, and I know that other rivers will be looking for that sort of status. To do the long-term change, it does need huge amounts of investment, so we also need to make sure that we are managing expectations with the local community. I know from the conversations that I have had with them that they are taking actions themselves in terms of holding water in water butts so that less water is going into the storm overflows. I anticipate from the taskforce, working with Philip Dunne and his private Member's Bill, we will see what will hopefully be seen as positive announcements. Going back to what I said earlier, it is really key that we see some action take place to deliver on improvements to water quality.

Robbie Moore: Thank you very much for that. I appreciate you referencing the Wharfe in that response, Emma. That is very kind.



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Q45 **Chair:** Just before we leave this question, how do you balance the idea of just getting water companies and others to put mitigation in place when they have polluted versus taking a prosecution against them? How does this send the right message? Should they just pollute and then put it right, or should they have the deterrent of being prosecuted and fined? How do you balance the two?

Sir James Bevan: We have very robust and professional processes to decide whether we will bring a prosecution. The key test of whether we will bring a criminal prosecution is whether there has been significant harm to the environment, in which case we will normally prosecute, or whether there has been deliberate action that caused that harm, in which case we will almost always take a prosecution.

Q46 **Chair:** What about if they are serial offences, because sometimes these things happen time and time again? You must take that into consideration as well.

Sir James Bevan: We do. We have a league table. There are some water companies that are good performers and that we prosecute very rarely, and some that we are always in court with.

Q47 **Geraint Davies:** Can I ask about Brexit and, in particular, the opportunities and risks that it poses? Is there a danger that any of our environmental standards could be allowed to fall? In the past, for example, I know that air quality standards have had legal limits that are enforced, ultimately, by the European Union, but they will not be anymore. Are there other examples where we will not have the safeguards that we had before?

Emma Howard Boyd: From our perspective, everything that we have heard from our colleagues in Government is that delivering on Brexit is not about rowing back on environmental standards. That is certainly the way we have gone about our work. James referred earlier to his speech, and perhaps there are some opportunities to make sure that regulation is achieving the right outcome, but, right now, at this point in time, it not about rowing back on standards.

We discussed before with the Committee that the Office for Environmental Protection is going to be key. How we work with the chair and future colleagues at the OEP will be absolutely fundamental to making sure that the right safeguards are in place. I know that James was speaking with Dame Glenys Stacey at an event last week, so he probably has some more to say. There are some great opportunities. I referred to one earlier, which is where the Environment Agency is playing a key role in the Emissions Trading Scheme that has been introduced post-Brexit and the role that we are playing in that.

Sir James Bevan: I agree that there are risks post-EU exit but there are also some great opportunities. I just want to emphasise three. The first one is agriculture. Whatever you think of Brexit, no one will argue that the common agriculture policy has been good for anything. It has not



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been good for farmers or for the environment. The opportunity to invent our own agriculture policy, based on public money for public goods, which will enhance the environment and better support farmers, is a great opportunity, and we are helping Defra to shape and deliver that.

As Emma said, the Office for Environmental Protection will have an opportunity to hold the Government of the day to account for its environmental performance, which is a great thing to do. I have spent a lot of time in Government and all Governments, of whatever political stripe, need holding to account.

Q48 Geraint Davies: On that, as you have raised it, the Office for Environmental Protection, as I understand it, can embarrass the Government, but it is not in a position to use the courts to enforce environmental law. There is a problem, is there not, that on air pollution and other pollution, we could end up with less rigorous standards and less enforceability? Is that not true?

Sir James Bevan: We are a supporter of the OEP. We want to see a really independent, powerful OEP. The precise powers of the Office for Environmental Protection are not yet finalised, because they are set out in the Environment Bill, which is still with you in Parliament, so that could change. The current Bill gives the OEP the ability to take the Government to court, which is the right approach.

Q49 Geraint Davies: What would happen then? If the Government were found lacking, what would happen to them?

Sir James Bevan: It would depend on the nature of the issue, but they would be required to remedy that, either through a fine or through appropriate action.

If I could just finish, the third opportunity is the one that I got the most flack for a couple of weeks ago, which is the opportunity to reform some of the environmental laws and regulations that we have inherited from the European Union. I gave this speech a couple of weeks ago and achieved the remarkable effect of being criticised by the *Guardian*, *Country Life*, the ENGOS, Twitter and Michel Barnier, all for something that I did not say. I did not say that this was an opportunity to drive down environmental standards. What I said and believe is that EU exit is an opportunity to reform our environmental law, so that we deliver better environmental outcomes. There are some really good examples of where you would want to abolish some of the EU law that we have inherited, there are some good examples of where you would absolutely want to keep it, and there are examples of where you would want to reform it. What we really need is a grown-up debate about what we want to keep and what we want to get rid of.

Q50 Geraint Davies: On that, in the case of rivers, there is some word that achieving just three or four criteria of the Water Framework Directive should be good enough for Britain. Is that correct?



Sir James Bevan: That is not what I said or think. What I said is that the Water Framework Directive is a really good piece of legislation, and British officials helped write it. It is great in many ways because it treats rivers as an integrated system, which is what they are, but it is not perfect. It has this famous “one out, all out” rule that Emma was referring to, under which a river fails to meet “good” status if it fails on any one of four specific categories. In my view, there is an argument to be made that if you say that, going back to Mr Gardiner’s earlier question, you tend to misrepresent the real state of rivers because, on most of those four categories, most rivers in England pass. To say that only 14% of rivers have “good” status is, in some ways, misleading, so there is a problem of what you interpret from the directive.

The other problem is that, because it requires environmental agencies like us to target their resources on improving all of those four indicators, we often end up spending quite a lot of resource on things that do not make much difference or that we cannot really change. For example, one of the four indicators is the geomorphology—the shape and state of the river itself—and whether that is a natural state. Most rivers in England have been so heavily modified over the last few hundred years that trying to turn the river back into what it was like in medieval times may not be a sensible use of your resources. None of that is to say that we should take down the protections that protect our rivers; it is to say we should have a debate about what will protect them even better.

Q51 **Geraint Davies:** Do you think that protection should be removed, for the reasons you have just said?

Sir James Bevan: We should have a debate, starting and finishing with what will make the best difference to ensuring that the quality of water in our rivers is genuinely enhanced. At the moment, there are things that we could do that would adjust that directive in ways that would make that more likely to be achieved.

Q52 **Geraint Davies:** Do you predict water quality on our beaches will get better or worse? Before the EU we had sewage on our beaches, tar and it was an absolutely dreadful place to bathe. Now it is clean, thanks to the EU Blue Flag beaches. Is there any risk we are going to go backwards and there are going to be more polluted beaches?

Sir James Bevan: The bathing waters are a real success story. As you say, there still is an EU Bathing Water Directive, which again British officials helped write, which we have given effect to. The Environment Agency is the regulator that has mostly driven compliance with that. What that has done has created the best state of our bathing waters ever.

Q53 **Geraint Davies:** In the past, it has been great, but what about the future of Brexit dirtying our beaches? Is there a risk of that?

Sir James Bevan: In my view, the Bathing Water Directive has been a great success. It does not need to be reformed. It certainly does not need



to be taken down. It needs to be adhered to. The challenge that we should set ourselves is to make sure we can get all of our beaches to the minimum standard, rather than the 98.3% that are currently at that standard.

Q54 Geraint Davies: Finally, is there a risk that we will incur tariffs in trade deals with the EU because our standards slip below the EU standards? We have guaranteed non-regression, though I appreciate it is not dynamic. Is there any risk in the way people are talking about changing the rules and reducing some of their criteria on rivers, or whatever it happens to be, that we will end up suddenly being persecuted in our farming exports because we have let our environmental standards slip with Brexit?

Sir James Bevan: The free trade agreement is pretty explicit that, although the UK now has the right to set its own environmental standards, both the UK and the EU commit to maintain and where possible enhance those standards. That is in the agreement and I have every reason to believe that it will be adhered to.

Emma Howard Boyd: I would like to add that the response from the citizen has shifted hugely over the last year in terms of focus on environmental standards. That is something that we can never be complacent about, but we have seen a response to environmental issues and the desire for an enhanced environment in a very different place than throughout this year, given the UK is hosting COP 26 and given the biodiversity COP 15 as well. I hope that demand for a healthier environment remains absolutely high on the public's agenda.

Q55 Geraint Davies: Is there not a risk, as you have raised it, on COP 26? We are not even promising to impose World Health Organisation air quality standards in the Environment Bill as we approach COP 26. People in Britain will not know if the relative standards of the environment are improving in mainland Europe versus Britain. They just do not know how bad it will be. How will we know?

Emma Howard Boyd: There will be monitoring that takes place, and many organisations do that comparative work. We are still in early days in this new arrangement. This is where we will be working very closely with the OEP in terms of sharing our data with them so that that can help influence the work that they do, monitoring the overall Government response to Brexit and environmental standards.

Q56 Geraint Davies: Will you be pressing to keep up with the standards of Europe from the Environment Agency? When you talk to Ministers, will you say, "They are doing this across the water. It seems like a good idea. We want to do it", or will you not bother?

Sir James Bevan: We will always want better environmental standards. The only issue for us is what the most cost-effective and efficient way to achieve those is.

Geraint Davies: We will keep up if it does not cost too much.



Q57 **Chair:** Just before we leave this one, on the Office for Environmental Protection, we need to be positive about it. How do you see working with it in a way where perhaps we need less court action and more action on the ground to stop pollution and the like, and dealing with environmental matters, including air quality and others, where you have had ClientEarth take the Government to court? How do you see that working in the future, making sure there is enough pressure on you, Government and local authorities, so that you can work better with the Office for Environmental Protection than is the case at the moment?

Sir James Bevan: Maybe I could just say a word, since I talked to Dame Glenys Stacey last week, as Emma mentioned. Dame Glenys Stacey is the new chair-designate of the OEP. The first thing to say is that the OEP is a different thing from the Environment Agency. The Environment Agency is a regulator and the OEP is a watchdog, so there is no duplication. They are complementary and we want to support each other.

I am sure you will want Dame Glenys in front of you some time soon. She is obviously very good and very good value. She is conscious that she has many tools in her toolbox, one of which is taking Government to court, but that may not be the most powerful tool. It certainly will not be the one to reach for first. She is, just as I am, very clear that private conversations can often be more effective than public denunciations or prosecution, and that a Government who are committed by the Environment Bill to publishing targets and assessing how they are meeting those in public are one that will be open to advice and guidance from the OEP. There are a range of tools that she will be using.

Q58 **Chair:** You think we can have a positive solution out of this if we work together on it. Is that what you are saying, Sir James, or am I putting words into your mouth?

Sir James Bevan: No, it is good that the Government decided to go for an OEP. Governments might decide not to want to be bothered by watchdogs. The Government have made a good decision to appoint an independent watchdog that will hold the Government, us and other public authorities to account. That is an unqualified good thing. It has appointed a very good chair, who is not afraid to speak truth unto power, and I am sure she will. It is designed in a way that complements rather than duplicates our and others' work. It is an unqualified bit of good news.

Emma Howard Boyd: As I have said before, it is essential that the OEP's remit goes beyond a pure focus on Defra and the environmental bodies. I really like the reports that the Committee on Climate Change now does, looking at different Departments and the actions that they need to take. That is a model that would be really good to follow and make sure, given that the 25-year environment plan is about putting the environment at the heart of Government decision-making, that it has a remit across all relevant Departments.



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In terms of the tools to make a real difference, say on air quality, we regulate a lot of industrial activities but there may be more impact that can be done through the Department for Transport. We need to make sure all of that is brought together so that we get action and a real change on the environmental issues that are important to this country.

Q59 Geraint Davies: Do you think, therefore, that there should be a Government report, maybe annually, on what all the Departments are doing for particular environmental objectives, in particular air quality? There is an amendment on this next week. In other words, transport, housing, planning and Defra would report on what is happening, and then we would have the watchdog to have a look as well. Is that a good idea, Emma?

Chair: You are definitely leading the witness now, Geraint.

Emma Howard Boyd: As I have said, the Committee on Climate Change's report on all Departments, looking at activity both in terms of mitigation as well as preparing for climate shocks, is a very good way of setting out what needs to happen on the climate change agenda. I know the way that the Committee then follows through, with Ministers but also with permanent secretaries, to make sure that they understand the work that is needed is a very good model to look at very closely and, ideally, follow.

Q60 Barry Gardiner: We discussed earlier the taskforce that you set up a year ago on tackling waste and waste crime. I do not want to recap what was said there, but in the 25-year environment plan you have set out to eliminate waste crime and illegal waste over the lifetime of the plan. To some of us, that seems a hugely ambitious if not overly optimistic goal, given that in the past eight years we have seen an increase in waste crime of 50%. How realistic is it to take that on? You are all in favour of having goals that you do not achieve—we talked about the reds and the greens earlier—but it really is going to require a great deal of sustained and co-ordinated action.

Sir James Bevan: First, it is not our plan; it is the Government's plan. They set that target, but we support it. Is it ambitious? Yes, hugely. Is it worth doing? Yes, because waste crime does awful damage, not just to the environment, but to communities and to the economy. It is absolutely the right thing to go after. We are making progress. We talked earlier about high-risk illegal waste sites. We focus on them because they do the most damage to the environment, communities and the economy, and because they are often run by very dangerous serious organised criminals.

We have been bringing the overall numbers of those sites down year on year. In the first six months of this financial year, we closed down another 13. That takes them down to a total of 237. That is the lowest number it has been since we began measuring it. That is progress. We stopped in the previous year over 50% of all new illegal waste sites in 90



days. We made 59 successful waste crime prosecutions, despite the overall reduction in our prosecution effort, as we have been discussing. That got us five prison sentences and total fines of over £500,000. We are making progress, but this is a marathon, not a sprint.

Q61 Barry Gardiner: The Covert Human Intelligence Sources Bill has given you quite extraordinary powers, as the Environment Agency, to be able to put people in place who would be allowed to commit criminal offences in order to secure intelligence that would then lead to a prosecution of these matters. The powers are there; we need not go over whether they should be. What we would seek some assurance on is how the Environment Agency intends to use those powers. How are you going to circumscribe the action whereby you put an operative in that position?

Sir James Bevan: You are absolutely right, again, that the Bill will give us additional powers. We already have the power to authorise some covert human intelligence activity. What this does, in a way, is put it on a more secure legal basis, because it clarifies what the limits are of any potential illegal activity that an individual who might be reporting to us may be involved in while they are assisting the authorities. If you like, it tightens up the law in a way that we welcome.

We do have, within the organisation, some very specific structures and guidance to make sure that we always act proportionately and within the law, because we care about that and because we are often challenged. We will make sure that we use it in that proportionate and lawful way. What I would say, I am afraid, is that this kind of information and these kind of informants are important. They are probably essential if we are going to tackle successfully these really evil people. These are also people who are taking a great deal of personal risk, so they need the proper protection and we will always make sure that they get that.

Q62 Barry Gardiner: Finally, Sir James, I have a cheeky question. Have you checked whether your chair can name each of the moths and butterflies on her wallpaper?

Emma Howard Boyd: That is a very cheeky question, given that it is just designed as opposed to being based on real-life moths.

Barry Gardiner: I think I saw an emperor moth.

Emma Howard Boyd: I wanted to add about the ambitious targets. Again, if I think of various stages where we have seen countries or the world galvanise around big, ambitious targets, even if you know that it is very challenging to achieve those—I am thinking of net zero and making poverty history—it is really important that we set that direction of travel and that ambition and then, little by little, gradually over the time periods we are talking about, make sure that we are acting.

Going back to your challenge around waste and waste crime, we want to see waste move to a circular economy. We need a range of different tools. Ultimately, to deal with the issues that we are facing right now, we



need to have big, bold and ambitious targets. It is great to see that the 25-year environment plan is now being embedded in law and over time will be enhanced so that, ultimately, we achieve some of these incredibly important goals.

Q63 Barry Gardiner: I entirely agree with what you have said. When you talk of the circular economy, how important is it that we invest in the creation of a much better waste infrastructure in this country, so that we are not exporting our waste to other parts of the world, whether that is electronic waste, as this Committee or the EAC has looked at in the past, and therefore make it profitable to recycle and use our waste as part of the circular economy? At the moment, we do not have that infrastructure in place.

Emma Howard Boyd: It is absolutely key. Some of the other things that have been looked at, like taxes, plastics and recycled content, all push in the right direction. As we know, the environment is very complex. There is the link between environment and climate change. We need to look at how this all comes together and shifts, through a range of both incentives and penalties, to drive the change that we need.

Chair: Thank you, Emma and Sir James. It has been a great session this afternoon. We have taken you on quite a long journey with lots of questions. Thank you for your very direct answers. We have learnt a lot. We will also be able to put some of your cases to Government where necessary, especially on regulations, funding and the way forward.

We really appreciate your time. I thank members for being reasonably good on time and asking some very good supplementary questions. Thank you everyone for attending this meeting. I will now wish you all a good evening. Thank you, Emma, Sir James and all members of the Committee for this afternoon.